

**CITY OF MORGAN HILL
JOINT REGULAR CITY COUNCIL AND
REGULAR REDEVELOPMENT AGENCY MEETING
MINUTES – FEBRUARY 7, 2007**

CALL TO ORDER

Mayor/Chairman Tate called the meeting to order at 7:00 p.m.

ROLL CALL ATTENDANCE

Present: Council/Agency Members Carr, Grzan, Lee, Sellers, and Mayor/Chairman Tate

DECLARATION OF POSTING OF AGENDA

City Clerk/Agency Secretary Torrez certified that the meeting's agenda was duly noticed and posted in accordance with Government Code 54954.2.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

PRESENTATION

Joe Mueller, Morgan Hill Community Health Foundation, presented the Council with an update on where the Foundation is with medical services in Morgan Hill. He informed the Council that the medical office building is thriving. He indicated that the mission of the Foundation is to contribute to a healthy community by ensuring availability/accessibility to health and medical services; including community health and education for the benefit of the residents of Morgan Hill and the surrounding areas. He stated that the focus of the Foundation is to bring physicians back to Morgan Hill, and to try and increase medical services with the top priority being urgent care. He indicated that a 24-hour, 7 days a week urgent care facility is expensive, and difficult to put into place in a community the size of Morgan Hill. However, he felt the Foundation is on its way to making progress in achieving urgent care services. He informed the Council that the Foundation has made progress in increasing the number of physicians in Morgan Hill. He stated that the DePaul Medical Office building is open and thriving. He stated that Morgan Hill now has four new physicians, three of whom are family practice physicians, with a wide-range of internal medicine and general practice experience. He said that the Foundation will continue to recruit additional physicians and to work on increasing medical services with the physician base in place. He indicated that the Foundation has a website which provides a list of local physicians. He informed the Council that it earmarked funds for physician recruitment, and that it was his belief there is approximately \$50,000 remaining in these funds. He said that \$45,000 of the \$50,000 is committed to funding the recruitment of a physician(s), and that the Foundation would be using the rest of its funds to continue to recruit physicians, and to work toward expanded medical services. He informed the Council that Foundation Board Members Hedy Chang, Bernie Mulligan and Dick Oliver were in attendance, should the Council have questions.

Council Member Sellers requested that Mr. Mueller address the hospital building in terms of where it is, and its near/long term future prospects.

Mr. Mueller indicated that the Foundation had plans to perform outpatient services/programs, but that these plans did not prove financially solvent to put into place at this time. He stated that the healthcare industry in California is in limbo. He informed the Council that he would be happy to return and inform the Council as to any new directions that will occur in terms of healthcare.

Council Member Grzan inquired as to the activities of the Board and its meetings. He indicated that it was his understanding that the Foundation did not meet for several months.

Mr. Mueller stated that the Foundation had a primary focus to recruit physicians and to address a couple of other needs. He informed the Council that in working with the hospital community and the medical fields, the decision making process tends to be slow. Therefore, the Foundation has a tendency not to meet as often as it should be based on these activities. He stated that the Foundation has focused on addressing physician recruitment and developing additional services. The Foundation is trying to address a 24-7 urgent care center; however, this is a difficult service to implement. He indicated that the Foundation is working on a program that takes a lot of effort. He said that this is a joint effort between St. Louise Regional, O'Connor Hospital and the Foundation. He said that he spoke to the CEO of O'Connor Hospital within the last week on this very topic. He informed the Council that Foundation Board members meet monthly, or more often if an active program is taking place. If there are no activities taking place, the Board may not meet for a couple of months; however, this does not mean activities are or conversations are not taking place. He stated that the Foundation Board comes together when decisions need to be made.

Council Member Grzan inquired as to how it would be known whether the medical needs of the community are being met, and what are the goals in this regard. He indicated that the urgent care facility is important, and that diligent work needs to be conducted in cooperation-partnership with the agencies identified by Mr. Mueller. He felt that Board members need to have an active role.

Mr. Mueller stated that the original medical needs and goals of the Foundation, in helping the City establish its goals, were established by conducting studies on physician needs based upon community needs. He indicated that this study was conducted several years ago and that the results of the study would linearly grow as the City grows. He stated that some of the study's data is critical in working with hospitals that conduct physician recruitments because they are required to justify their expenditures to recruit a physician into the area. He indicated that Board members leverage off hospital physician recruitment programs because they are spending the bulk of the recruitment dollars. He indicated that St. Louise Regional Hospital is actively recruiting, with an OB-GYN physician being high on their list. He explained that base recruitment efforts are conducted by St. Louise Regional Hospital, and that the Foundation leverages its resources to assist in the hospital's recruitment efforts. It was his belief the Hospital would be able to recruit a specialist for their service area, but that it would be up the Foundation to help with a physician in Morgan Hill.

Council Member Grzan inquired at to the resources the Foundation would leverage to recruit an OB-GYN physician.

Mr. Mueller indicated that the Foundation still has funds remaining in its recruiting budget, and that it is a sufficient amount for the near term.

Mayor Pro Tempore Carr said that it would be foolish for the Foundation or the City of Morgan Hill to be recruiting physicians that will not meet St. Louise Regional Hospital requirements, and not have a hospital to practice in. Therefore, it makes sense to leverage off of the Hospital's recruitment efforts. It was his belief that the role of the Foundation is to recruit physicians to Morgan Hill once the Hospital completes its recruitment efforts. He stated that he was somewhat disappointed that Mr. Mueller did not address the Foundation's finances/budget; noting that taxpayers put monies into the Foundation with specific goals in mind. He requested that Mr. Mueller provide the Foundation's finances/budget at the next Council update. He indicated that the City of Morgan Hill adopted a Medical Services Policy and Objectives in August 2004. The policies and objectives identified short term and long term goals. He requested that the Foundation return to the Council to address how some of these goals have been attained with the assistance of the Foundation.

Mr. Mueller indicated that the Foundation would like to have an acute care hospital in Morgan Hill. He indicated that some goals are not attainable, short term. He noted that the immediate need in the community is physicians. He felt that he demonstrated that physicians have been recruited to the DePaul Medical facility. He stated that the focus on medical needs has not been limited to the De Paul Health Center. There are other buildings that house other physicians. He indicated that there is a condominium project in Morgan Hill Ranch where doctors could locate should they wish to purchase a facility. It is his hope that the community will see medical services at Morgan Hill Ranch in the near future. There is also Dr. Roussere's facility located at Tennant Avenue that is being set up to be a surgical center. It is the primary goal to recruit and bring physicians to Morgan Hill, and that within the last several years, four new doctors relocated to Morgan Hill. There are another 3-4 doctors on the list who were not in the Morgan Hill area who now have primary practices in the city. This equates to 6-7 additional doctors to the immediate availability of Morgan Hill citizens. He felt that this was good progress over the past few years.

Mayor Pro Tempore Carr agreed with Mr. Mueller that there has been great success in bringing in physicians to the community. However, under the short term Council objectives, there was mention of the need to focus on an urgent care facility. He was pleased to hear that St. Louise Regional Hospital is talking about medical services for women as this was another area the Council listed in its objectives. He acknowledged that the objectives are not being met in the timeline discussed, but felt that they may be on the horizon, and that general recruitment is going well. It was his hope that Mr. Mueller would return to report to the Council more good news soon, and to address its budget, urgent care, female medical services, etc.

Council Member Sellers indicated that the Council held a retreat last month, and that in the course of this, the Council appointed members to various assignments. He noted that Council Members Grzan and Lee were appointed to serve as liaisons to the Foundation. Being that these two Council Members have not been as involved with the Foundation, he requested that Mr. Mueller provide a primer background for Council Members Grzan and Lee prior to the next Foundation meeting; facilitating their involvement in the process.

Bernie Mulligan said that last summer he went to a house concert where he ran into a neurologist who may be coming to Morgan Hill. Although physicians may not be locating in the medical office buildings, they are coming to Morgan Hill. He indicated that every member on the Board speaks to individuals to try and recruit physicians. He stated that he would like to be able to bring doctors to a

Council meeting so that they can introduce themselves to the Council and the community. He felt that Foundation monies have been spent wisely. He stated that he did not know how many physicians reside in Morgan Hill who do not have a practice in town.

Council Member Grzan felt that physicians who reside in Morgan Hill would be the ones more likely to relocate their offices to Morgan Hill.

Hedy Chang indicated she has been involved in the medical field for the past two-years. She speaks to doctors all the time, and travels a lot; including travels overseas. She traveled to Taiwan, Cambodia, Vietnam and Malaysia and found that these countries have universal health plans in place; even though they are poor countries. She expressed concern that community members do not have access to a physician on the weekends or an urgent care facility. She stated that she is excited to hear about the Governor's universal healthcare proposal. It is her hope the Council will support the Foundation Board in its future endeavor for an urgent care facility.

PROCLAMATIONS

Mayor Tate presented a proclamation to Michelle Dragoescu and Andrew Wisneski, Future Business Leaders of America, Live Oak High School Chapter, proclaiming February 11 through February 17 as *Future Business Leaders of America (FBLA) Week*.

RECOGNITIONS

CITY COUNCIL REPORT

Mayor Pro Tempore Carr stated that he attended his first Utilities & Environment Committee meeting this evening; indicating that this Committee will start to develop its workplan and base it around the Council's 2007 goals. He said that the Public Safety & Community Services Committee has also begun to work on its workplan and started to look at one of the important goals to be adopted by the Council this evening: public safety levels in the City. He said that the Council will be hearing a lot more about this goal over the next 90-days as this is the time limit identified to accomplish this goal.

CITY COUNCIL COMMITTEE REPORTS

CITY MANAGER REPORT

City Manager Tewes reported on two items on the consent calendar: Agenda Item 9 - revised Minutes reflecting minor changes; and Agenda Item 7 – Construction of the Library. He indicated that substantial completion of the library is scheduled for May 8, and final completion on June 8. He stated that the library would move from the current facility to the new facility thereafter. He informed the Council that staff has requested that the library system provide a report to the City Council. He anticipates the report to be presented to the Council in April 2007. Library staff will go into detail about their moving plans. He said that it is City staff's interest to have the transition go as smoothly as possible, and to have the least disruption in library services during the move. Also, on the Consent Calendar is an item proposing an amendment to a design contract that would allow the City to bid out some additional furniture. He said that it was not staff's initial intention to provide furniture. However, the City has done well in the

bidding of other aspects of the library facility, and that this will allow the purchase of additional furniture. With the small amendment to the design contract, staff will be able to obtain some bids to see how far the City can go with the furniture as well.

CITY ATTORNEY REPORT

City Attorney Kern indicated that she did not have a report to present this evening.

OTHER REPORTS

PUBLIC COMMENT

Mayor/Chairman Tate opened the floor to public comments for items not appearing on this evening's agenda. No comments were offered.

City Council and Redevelopment Agency Action

ADOPTION OF AGENDA

Agenda was adopted as printed.

City Council Action

CONSENT CALENDAR:

Action: *On a motion by Mayor Pro Tempore Carr and seconded by Council Member Sellers, the City Council unanimously (5-0) **Approved** Consent Calendar Items 1-5, as follows:*

1. **AQUATICS CENTER CITY MANAGER AUTHORIZED RATE ADJUSTMENTS**
***Action(s):** **Accepted** Staff Report and Supporting Documentation for the Authorized Rate Adjustments.*
2. **SUMMARY VACATION OF A PORTION OF A PUBLIC UTILITY EASEMENT AT 70 EAST EDMUNDSON AVENUE (APN 817-04-017)**
***Action(s):** 1) **Adopted** Resolution No. 6083, Declaring Summary Vacation of a Public Utility Easement at 70 East Edmundson Avenue; and 2) **Directed** City Clerk to File a Certified Copy of the Resolution in the Office of the County Recorder of the County of Santa Clara.*
3. **FINAL MAP APPROVAL FOR MISSION RANCH PHASE 9B (TRACT 9806)**
***Action(s):** 1) **Approved** Final Map, Subdivision Agreement, and Improvement Plans; 2) **Authorized** City Manager to Sign a Subdivision Improvement Agreement on Behalf of the City, Subject to Review and Approval by the City Attorney; and 3) **Authorized** Recordation of the Final Map and the Subdivision Improvement Agreement Following Recordation of the Development Improvement Agreement.*

4. **ACCEPTANCE OF MORGAN HILL WILDLIFE BIKE TRAIL PROJECT**

Action(s): 1) **Accepted** as Complete the Morgan Hill Wildlife Bike Trail Project in the Final Amount of \$321,609; and 2) **Directed** the City Clerk to File the Notice of Completion with the County Recorder's Office.

5. **REBUDGETING 2005-2006 PROJECTS/PROGRAMS**

Action(s): **Approved** Rebudgeting of 2005-2006 Project/Program Costs in the 2006-2007 Budget.

Redevelopment Agency Action

CONSENT CALENDAR:

Agency Member Grzan requested that item 6 be removed from the Consent Calendar.

Action: On a motion by Vice-chair Carr and seconded by Agency Member Sellers, the Redevelopment Agency Board unanimously (5-0) **Approved** Consent Calendar Item 7 as follows:

7. **NEW LIBRARY FURNITURE DESIGN ADDITIONAL SERVICES**

Action: **Authorized** Executive Director to **Amend** RMW's Consultant Contract for Additional Services in the Amount of \$13,200; Subject to Review and Approval by the Agency Counsel.

6. **SECOND QUARTER REPORT FROM THE CHAMBER OF COMMERCE ECONOMIC DEVELOPMENT PARTNERSHIP**

Agency Member Grzan noted that one of the goals/objectives of the Chamber of Commerce is to assist businesses to move or expand in Morgan Hill. He inquired as to the number of businesses that were assisted in moving to Morgan Hill during this quarter.

Mr. Ehrler indicated that he was not personally engaged in assisting businesses move to Morgan Hill, and that City staff may have facilitated this effort.

Director of Business Assistance and Housing Services Toy informed the Council that City staff has assisted several businesses in retail centers. He stated that he would need to return to the Council in order to identify specific businesses.

Agency Member Grzan said that if it is a goal to assist businesses in moving to Morgan Hill, the quarterly report should state whether or not this goal was met. He inquired how many businesses have asked the Chamber of Commerce for assistance based on their struggles in Morgan Hill. He would like to know whether the Chamber of Commerce worked with businesses to assist them to remain in Morgan Hill.

Mr. Ehrler said that when the Chamber hears about businesses having problems, they become actively involved. During the second quarter, the Chamber heard about a development that expressed concern about its viability and its place in the competitive market. The Chamber of Commerce participated in a conversation with this individual along with sitting in on a meeting with the individual, and members of the Community & Economic Development Committee and the City Manager. He stated that the Chamber looks to assist individual and/or businesses experiencing problems. He informed the Council that in this quarter, an issue came up on one of the newer businesses that the Chamber has been working with in terms of facilitating communication, and working on a particular issue the business was experiencing. He stated that the Chamber has adopted a 2007-goal of doing a better job of promoting and letting the business community/community at large know exactly what the Chamber of Commerce has to offer. It was his hope that the Chamber's articles in the Morgan Hill Times are informative; particularly to businesses so that they have a greater awareness of how the Chamber can assist businesses. He clarified that the Chamber of Commerce partners with City staff in addressing issues that come to their attention (e.g., a business experiencing difficulties with the Depot and Third Street reconstruction).

Agency Member Grzan felt that it would be good to track how many businesses the Chamber assisted during the reporting quarter, and how it provided guidance/assistance. Further, that the Chamber communicate to businesses that they are here to assist them. He said that it would be helpful if the Chamber returns to the Council with information on how it is achieving/meeting its goals.

Vice-chair Carr noted that the past quarter's focus was on establishing a South Santa Clara County Valley Tourism partnership with Gilroy.

Mr. Ehrler stated that this tourism partnership continues to solidify. In this last quarter, time and financial resources have been spent focusing on advertising and in preparation of two major trade shows that the Chamber believes will be beneficial to the region.

Vice-chair Carr said that he wants to make sure that the recreational programs and City offerings are part of all promotional information.

Agency Member Grzan commended Mr. Ehrler for his efforts on the Chamber's behalf, as he has attended several City functions/committee meetings, and has been very active in the community. He indicated that Mr. Ehrler takes back to the Chamber what the City is doing, keeping members informed as well as keeping the City informed. He thanked Mr. Ehrler for his efforts and encouraged him to continue what he has been doing.

Action: *On a motion by Agency Member Sellers and seconded Vice-chair Carr, the Agency Board unanimously (5-0) **Accepted** the Report.*

City Council and Redevelopment Agency Action

CONSENT CALENDAR:

Action: *On a motion by Mayor Pro Tempore/Vice-chair Carr and seconded by Council/Agency Member Sellers, the City Council/Agency Board unanimously (5-0) **Approved** Consent Calendar Items 8-11 as follows:*

8. **JOINT REGULAR CITY COUNCIL AND REGULAR REDEVELOPMENT AGENCY MEETING MINUTES OF JANUARY 17, 2007**

Action: **Approved** the Minutes as Submitted.

9. **JOINT REGULAR CITY COUNCIL AND REGULAR REDEVELOPMENT AGENCY MEETING MINUTES OF JANUARY 24, 2007**

Action: **Approved** the Minutes as Amended.

10. **JOINT SPECIAL CITY COUNCIL AND SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES OF JANUARY 26, 2007**

Action: **Approved** the Minutes as Submitted.

11. **JOINT SPECIAL CITY COUNCIL AND SPECIAL REDEVELOPMENT AGENCY ADJOURNED MEETING MINUTES OF JANUARY 27, 2007**

Action: **Approved** the Minutes as Submitted.

City Council Action

OTHER BUSINESS:

12. **RECREATION AND COMMUNITY SERVICES DEPARTMENT MID-YEAR UPDATE**

Recreation and Community Services Director Rymer introduced the individuals who would be assisting with the presentation this evening: City Staff: Angela Papp, Aquatics Center; Chris Ghione, Centennial Recreation Center; Monica Delgado, Budget Management Analyst; and from the YMCA – Santa Clara Valley: Pam Von Wiegand, Debbie Cupp and Malcolm Myers.

Mr. Rymer presented the Council and the community with an update on the Recreation and Community Services Department (RCSD) for Fiscal Year 2006-07. He informed the Council that focus would be on the financial performance, where the City is to date, and what is being projected for the end of the year. Also, to be addressed is the service delivery that has been occurring throughout the Department. He addressed the mission and the vision statements for the RCSD: Creating communities through people, parks, and programs. He stated that the RCSD is continuously trying to provide quality facilities and services that enriches the community through recreational activities, programs and events. He addressed the community commitment that focuses on four areas: open communication, cooperation, consistency and quality in everything the RCSD does.

Mr. Rymer indicated that there are four separate divisions in the RCSD: 1) recreation, administration, and programs; 2) Community & Cultural Center (CCC); 3) Aquatics Center; and the 4) Centennial Recreation Center (CRC). He said that the RCSD has an annual budget of approximately \$5 million. He stated that on average, the RCSD recovers approximately 65% of its expenses through user fees, and that approximately 35% is supported by taxes (general fund). He informed the Council that the national average cost recovery is at approximately 34%. He addressed the activities that have occurred; including the partnership with the YMCA for the CRC. He indicated that over the course of the last couple of months, the momentum has changed from the CCC to the CRC. He said that focus will be given on the balance of the cost recovery efforts, affordable/access for community members, and community awareness of the service offerings through marketing promotional efforts. He addressed the forecast for the RCSD. He stated that the department is budgeted to recover approximately 69% of its expenses through revenues. It is estimated that the department would recover approximately 65%. This equates to approximately \$60,000 in tax support. He noted that the department is only through half the year, and that it is staff's hope that it can do better than what is being projected at this point. He informed the Council that the RCSD is doing a good job in containing costs while delivering services. However, the Department is not generating the revenues projected in the budget. He said that the Department is focusing on each area of responsibility, and looking at how the Department is doing, bottom line, because certain things are changing throughout the facilities.

Mr. Rymer addressed the administration and programs forecast. He informed the Council that this budget was realigned this year. It is anticipated that there would be a cost recovery of approximately 16% and an estimated tax support of approximately \$415,000, approximately \$10,000 more than originally anticipated in the budget.

Mr. Rymer indicated that the CCC is transitioning from the City's hub to a cultural, arts and events center. Focus is being given on how to utilize the space. He said that both revenues and expenditures are forecasted to be lower than anticipated, and that staff is looking at approximately \$75,000 in improvements. This center will require \$386,000 in tax support; down from \$462,000. The cost recovery remains at 61% as projected through the end of the fiscal year.

Angela Papp addressed the Aquatics Center's operations. She stated that the success of this center hinges on a lot of different user groups using the center. She said that it is a constant challenge for the center to balance the needs of so many user groups, but that staff attempts to meet everyone's needs. She indicated that the primary service delivery focus for the Aquatics Center is Morgan Hill residents. However, the City needs to rely on outside user groups to come in and help with cost recovery efforts. She informed the Council that Fiscal Year 2006-07 has been a difficult year for the Aquatics Center as revenues and participation rates have declined from previous years. She identified the causes for this decline (e.g., overly aggressive revenue projections, loss of swim club revenues, lower than projected season pass holders/daily pass participants, decline in concession and retail sales). She indicated that it is estimated that the year end budget would be at approximately \$474,000, achieving 66% cost recovery. With respect to expenses, she said that staff was able to see how it would end up the year, and started cutting expenses; shaving off \$137,500 dollars. Cuts were seen in the use of part time and seasonal staff, retail and concession purchases, and miscellaneous operating expenses. It is estimated that the Aquatics Center's tax support will increase by \$230,000 from the original budget estimate. She addressed proposed enhancements: revising the Aquatics Center rate schedule to attract and retain additional users, establish discounted rates for CRC members, two additional family swim nights,

implementation of a school day program, and opening concession stands during swim lessons. She informed the Council that the Aquatics Center is often used as a benchmark for municipal pool cost recovery and ranks as one of the highest cost recovery facilities in California.

Chris Ghione addressed the operating philosophy and history of the CRC. He said that it is the operating philosophy to promote the multi generational facility and to advance the physical well being of the community. He indicated that the operations at the CRC are based on a partnership between the City of Morgan Hill and the Santa Clara Valley YMCA. He said that this is a unique, one of a kind partnership. He stated that there has been focus on operating as one team. He informed the Council that there have been no major hurdles associated with this partnership. He said that open communications between the two organizations has been key to the success of the two organizations working together. He stated that the two organizations will continue to focus on providing quality customer service, safety at the facility, and communication between the two organizations and other city facilities. He said that the two organizations are trying to make the CRC the hub of recreation for the community. He stated that the key to the financial viability at the CRC is membership based.

Debbie Cupp thanked the Council for this unique, once in a lifetime partnership opportunity; indicating that this partnership is a model for the nation. She addressed the membership numbers. She stated that the membership numbers were originally established based on the study performed. It was projected to be at 2,165 membership units by the end of the fiscal year. It was projected to be at 735 membership units at the end of November. She informed the Council that they exceeded this target by reaching 1,263 membership units, a net of 681 membership units above projection at November 2006. She informed the Council that it was projected to be at 1,350 membership units in January 2007, and that the CRC was at 1,617 membership units, year to date, 267 membership units above projections. She stated that the current membership units are at 1,617 member units with over 5,400 members using the CRC facility. She stated that the facility is meeting the trend of moving forward through the year, and is expected to end the year ahead of projections. She informed the Council that 88% of the members are Morgan Hill residents with 12% being outside the area. She clarified that the CRC will not be seeing this large of a growth pattern next year.

Mr. Ghione addressed aquatics at the CRC; indicating that it is a huge part of the CRC facility and membership. He indicated that lap swim, aqua fitness classes, and recreational swim are included in the facility membership. He informed the Council that there are a variety of groups looking for time to use the pool. Swim lessons are offered at reduced rates to members, but designed to be open to the entire community. As budgeted, swim lessons were expected to be a significant source of revenue for the CRC. However, the revenues are not coming in as originally budgeted. He said that staff will try to market the remaining swim lesson sessions through the rest of the fiscal year in order to increase the revenue projections. He indicated that everyone wants to use the pool at the same key times; noting that several of the uses do not work well together, and there is not enough room. He informed the Council that staff has been restructuring the schedule. They are looking to promote the offerings at the Aquatics Center in conjunction with the CRC membership at a reduced rate.

Ms. Cupp indicated that that the fitness center and the group exercise classes are core parts of the facility membership. There are also specialty classes being offered, and that staff is looking at other opportunities to provide additional health and fitness programming. She said that changes were made to the group exercise schedule in order to meet the needs of all CRC users. She addressed FitLinxx, a

computerized coaching system used to track member's progress; helping them reach their fitness goals. She stated that the Kids Zone is a popular aspect of the facility; clarifying that this is not just a babysitting area. She indicated that staff is engaged and interactive with the kids with approximately 4,500 visiting the Kids Zone area.

Ms. Cupp noted that the Senior Center was moved from the Friendly Inn to the CRC on October 16, 2006. She said that the County indicated that they were not sure if enrollment would drop due to the change in location. She reported that attendance has increased by 13.2%; serving an average of 75.9 meals per day from 67 meals per day at the Friendly Inn. She informed the Council that the CRC has increased opportunities for seniors. They will be posting a job announcement for a new senior center director that will implement programming for 55+ year citizens. She indicated that the seniors love the center. She said that the CRC is a true multi generational facility, and that this is a great thing to see.

Mr. Ghione indicated that the teen center got off to a successful start; seeing a gradual increase in usage. He informed the Council that average use of the teen center is 11.6 teens per day, and that it has increased to 20 teens per day in January. It was his belief that there will be a growth in use as the facility gets promoted/marketed. It is proposed to add new activities and programs for teens to participate in. He informed the Council that there has been a growth in party packages; primarily pool parties. He said that facility rentals got off to a quick start, but that it is not anticipated that this will be a big source of revenue in the future as the CCC will be promoted as the primary rental facility. One of the highlights of the early operations is the customer comment system. He stated that over 300 customer comment cards have been submitted, and that the comments have assisted with decisions on programming, scheduling and facility maintenance.

Ms. Cupp addressed the "secret shopper" program. She indicated that an outside agency contacts the facility as though they are a potential customer. Several questions are asked about the facility and its offerings. She said that the CRC received calls from two secret shoppers, and that the center received a score of 97% and 94%. The shoppers rated staff, the facility, and what the facility has to offer. Staff will also be conducting a SEER Member Satisfaction Survey. She indicated that 600 random members will be receiving a survey regarding the CRC. The results of the survey will give CRC staff information on the membership satisfaction rates. The information will be helpful as the CRC moves forward and decisions are made about the facility.

Mr. Ghione said that it is expected that some programming areas will be expanded (e.g., adult sports leagues, youth sports classes, special interest classes, youth programs, volunteer program, etc.). He stated that CRC staff will continue to market the facility and its programs/hours with a focus on families. Also, to be studied is the price structure to ensure that it is meeting the need it was originally designed for. He reiterated that 88% of the membership comes from Morgan Hill. He noted that the market study for the facility indicates the City would need to bring in a significant number of non residents to make the facility financially viable. It was staff's belief the CRC has a good "buzz," and that staff has made it known what the CRC has to offer. Staff would like to make sure that it markets the CRC to the surrounding communities. He stated that every effort will be made to hire qualified staff, to continue to develop/focus on building the CRC team, and to improve the quality of services being provided. He informed the Council that revenue projections are on target based on the earlier than expected membership signups. He clarified that just because the City is ahead of schedule, in terms of membership, it does not necessarily mean that membership recruitment next year will be easier. Staff

believes it will be able to save \$92,000 in expenses, and that this savings will help the CRC cost recovery percentage to increase; reducing the need for general fund support by approximately \$108,000 this fiscal year.

Mr. Rymer said that the RCSD staff plans to return to the Council with updates on a routine basis, but that the presentations will not be as detailed as presented this evening. He summarized that this is a time of transition for the RCSD, and that there are changes and uncertainties to be expected. There are exciting as well as issues of concern about things taking place that staff will take a closer look at. As the CRC starts to plateau with its membership, staff needs to make sure that the other service levels are meeting the needs of its membership. He stated that the initial success has been good, and that there is a buzz of excitement in the community about the CRC. Staff needs to make sure that this continues. He said that the CRC is now the hub of the community, and that it will continue to move in this direction. Over time, staff will work to transition programs that may not be meeting the community requirements. He said that some of the CCC programming will be incorporated into the CRC. He said that staff is working on the outdoor sports complex. Staff will be meeting with the Parks & Recreation Commission to look at the items the Council asked them to look at. He said that staff will keep a close focus on cost recovery and community access. He informed the Council that CRC Recreation Supervisor Therese Lugger has announced her retirement, and will be leaving the City in April 2007.

City Manager Tewes indicated that the Council saw a lot of numbers in the staff report, and in the power point presentation. He assured the Council that these projections were consistent with the five year forecast numbers presented to the Council at its annual goal setting session.

Council Member Grzan noted that the report states that there are approximately 11.6 teen users per day. He inquired whether it is the same youths who are using the facility.

Mr. Ghione stated that there is a core group of approximately 20 teens who use the facility on a routine basis, and that there are “fringe” teens that use the facility on an occasional basis. Initially, the teen center saw the same group of teens who reside near the facility as well as children of CRC members. Staff is now seeing that the teen use is expanding. He informed the Council that staff implemented a membership card program for the teen center, and that over 50 youths have picked up the cards with the same number of individuals filling out the paperwork in order to receive their cards. He clarified that the teen center will not be able to accommodate 100 teens daily at the same time. He stated that the optimal level use is at no more than 20 youths at a time. He said that the teen room can accommodate 50 students, but that it would not be an optimum use of the facility, unless it is an event. It is a goal to have the daily average increase to 30-40 teens using the center.

Mr. Rymer indicated that the teen center was established to serve 13-18 year old teens. He said that there are 11-12 year olds who want access to the teen center, and that staff is trying to do something to allow access to 11-12 year olds on a limited basis so as not to disrupt the teen users. He noted that there are more and more private/non profit opportunities presenting themselves (e.g., bowling alley). He did not believe the teen center would reach all kids, but that it was his hope the City will be able to identify the youths who want to use the City’s services and provide them the best experience possible.

Council Member Lee thanked staff for the report; stating that it was encouraging to see how well the CRC is doing. She inquired whether the CCC will be discontinuing classes and shifting them to the CRC.

Mr. Rymer clarified that the City would not be discontinuing classes at the CCC. It is staff's belief that some programs will be eliminated naturally; depending on the transition of membership. He indicated that there has not been a high participation in ceramic classes. However, staff may refocus its energy to do more programming.

Council Member Lee noted that it is being proposed to leverage the CRC for the Aquatics Center in order to bring more individuals to the Aquatics Center. She inquired whether thought was given to implementing a program that also leverages membership at the CRC such as discounted special rates at the CCC to keep the income flowing.

Mr. Rymer said that there have been extensive discussions on Council Member Lee's point. He stated that there was a concept entitled "Passport to Play." Thought was given on how to get the community engaged in recreation through a passport tool that would allow access to all facilities. He said that the City created its own "Passport to Play" at the CRC in the membership. He noted that staff is trying to build off of this at the Aquatics Center. He said that the Passport to Play does not address the individuals who are not CRC members. He stated that staff will be looking at proposing a rate structure that would allow CRC members decreased fees for various uses at the CCC or Aquatics Center, and/or parks programs. However, staff will need to figure out the tool/mechanism for individuals who are not CRC members to encourage use of other facilities.

Council Member Lee noted that the CRC has been a great success with a lot of community members becoming involved at this center. Providing incentives to these members to use other resources in the city may be an opportunity.

Council Member Sellers indicated that he was intrigued by cross marketing the CRC with the Aquatics Center concept.

Mr. Rymer said that marketing efforts will be coming soon regarding the specials/reduced fees on the Aquatics Center and the CRC.

Council Member Sellers felt that the additional evening hours would be welcomed by the community. He stated that expenses across the board were impressive because of the low budget. He inquired whether staff would be proposing to use the projected numbers, using the lower numbers, or using a number in between.

Mr. Rymer said that staff has worked with the City Manager and the Finance Director with regards to the Department's five year forecast. He said that staff is projecting higher expenses next year, but that staff anticipates bringing in the revenue to support the expenditures. He stated that as recreational services grow, it will take resources to build programming. He said that staff will do its best to contain expenses to a realistic number.

Mayor Pro Tempore Carr stated that he was impressed that the membership trend was above what was projected. He inquired whether there would be a maximum to the number of memberships that can be expected.

Mr. Rymer indicated that the partnership forecasted 2,165 members. He said that staff is in the process of planning for next year's budget and forecast. Staff is not sure about the membership cap. He said the CRC will meet the budget in May instead of June. He stated that the City needs to retain this number and grow to the 2,200 membership range in order to stay on track with expenses.

Mayor Pro Tempore Carr was pleased to see that 88% of the membership comes from Morgan Hill residents. He inquired whether there were segments of the community the City is not reaching.

In response to Mayor Pro Tempore Carr's question, Mr. Rymer stated that staff has not conducted the analysis on whether or not the City is reaching all segments of the community. He informed the Council that 60%+ is from family memberships. He indicated that scholarships have been utilized, and that staff will be reviewing the use of scholarships for next year's budget. Making scholarships available will help provide access to the CRC. Staff realizes the City needs to look outside of Morgan Hill to achieve a balance. He said the budget was based on a market study assumption(s). He indicated that what has carried the CRC is the high volume of family memberships. However, there are some untapped areas the City needs to consider. It may be that individuals do not realize there are daily passes available, and that you do not need to be a CRC member to use the facility; however, staff believes the membership is the best value.

Ms. Cupp addressed the member satisfaction survey. She said that the early data will provide an analysis of the primary market area. The information will identify how the membership of the CRC matches the demographics of the service area. With this information, the Council will know the economics and age match, and how it fits the community in terms of representation in the CRC.

Mr. Rymer clarified that 88% of the CRC memberships have a Morgan Hill address. He indicated that \$10,000 was budgeted this fiscal year for scholarships, and that this amount is almost tapped for this year. He indicated that the response for scholarships has been positive, but that staff needs to look at the resources to continue with scholarships. He indicated that the senior nutrition program can accommodate 100 individuals. Today, there is an average of 76-85 individuals utilizing the nutrition program on a daily basis.

Ms. Van Wiegand informed the Council that the YMCA pays for the meals from a grant through the County. She stated that there is a limit from County funding on how many meals they will pay for; indicating that funding is for approximately 72 meals per day.

Mayor Tate opened the floor to public comment. No comments were offered.

Council Member Sellers said that the Council is fortunate in that it has the opportunity to attend events being held at the CRC and the CCC. In hearing the report this evening, he noted there is a need for additional programming in the aquatics facility at the CRC. He has heard from citizens that the senior center is close to capacity. He stated that there is good news in that the buildings were designed to accommodate expansion. He recommended that the City start looking at costs to expand the CCC. He

would like to receive an analysis, but that he did not know how this would be performed without tapping further on recreation staff resources. He wanted to know if there were ways the City can expand these facilities in order to make them more cost effective; increasing the room capacity from 250 to 400 at the CCC facility. Doing so would allow for a greater percentage of cost recovery that can be applied back to other programs. He suggested that thought be given to budgeting the resources necessary to perform the analysis. He felt the City was doing what the community wanted it to do; noting that these are popular facilities, and that they are being used by community members. He felt that 88% usage by Morgan Hill residents is an incredible number and shows good support. He felt the City needs to plan for the future and make sure that it stays one step ahead.

Council Member Grzan noted that it was commented that the City is achieving one of the highest cost recoveries in the state. He noted the City is at 65% cost recovery and that 34% is the national average. He congratulated staff for their achievements; however, he wondered why other agencies are achieving a much lower cost recovery rate. He wondered whether other agencies lack the ability the City of Morgan Hill has, or whether they conscientiously make the choice to achieve this number based upon the fact that this number does not exclude members of the community from using the facility. He expressed concern that in the City's effort to have high fees and high cost recovery, the City is excluding members in the community from using its facility. He requested that staff return with a mechanism to gage usage/rates (e.g., through a survey or questionnaire). He thanked staff for a wonderful report and being forthright with its projections. He said that even though the City may see higher projections initially in the CRC, he expressed concern that there may be a decline in interest in the future years as was seen in the Aquatics Center. He said that it is a difficult dilemma to be in; operating a public facility, and trying to recover 100% of the costs which most agencies do not even come close to achieving. He clarified that he wanted to know if the fees being charged are prohibiting residents from using the facility.

Mayor Pro Tempore Carr felt that the report presented good news. He was pleased and encouraged by the report. It is his hope that the projections continue through the end of the fiscal year. It is also his hope that the Council provides staff with the tools it needs to meet the department's focus as part of the budget process (e.g., balance cost recovery with affordability and community access; and community awareness of service offerings). He felt that the RCSD is about building community, and that staff has identified ways the department will achieve this.

Mayor Tate felt that the idea of creating incentives for the facilities during slow times works well. He has heard members of the community stating that if the CRC was opened at 3 a.m., they would be there using the facility at that time. Perhaps, the City can look at expanding the hours. He thanked the YMCA and City staff for making the partnership work; making it a transparent operation where everyone takes full responsibility for the facility. He indicated that the City took a lot of risk in moving forward with the partnership, and that both agencies have made the risk pay off. He stated that the Youth Advisory Committee has been charged with filling up the youth wing on Friday nights. He said that when the Youth Advisory Committee takes on a responsibility, they take on an objective to complete their charge. He felt that the youth wing is in good hands and will thrive.

Action: **No Action Taken.**

13. CONSIDERATION OF COUNCIL’S 2007 POLICIES AND GOALS

Mayor Tate thanked City Manager Tewes for drafting the City Council’s 2007 Policies and Goals that were identified at the Council’s goal setting session.

City Manager Tewes stated that it has been the Council’s practice, following the retreat, to return to a council meeting with precise language on policies and goals. He said that the Council adopts the policies and goals following the opportunity for public input. He noted that the policies and goals have been presented to the Council based on a series of categories used during the course of Council discussions.

Mayor Tate opened the floor to public comment.

Dan Ehrler said that in reviewing the draft goals, he was excited with what the Council did during the day and a half, and the results of the goal setting session. He stated that the Chamber finds that there are extraordinary opportunities and challenges. He indicated that the Chamber is eager to assist the City in terms of fulfilling the goals; specifically, the goals relating to economic development through their Economic Development Committee. He indicated that the Chamber would partner and support the Downtown Association in what the City is trying to achieve. He stated that the Chamber’s Environmental Council is interested in the environmental goals before the Council as well as with community development in the preparation, opportunities, and challenges that lies ahead with the general plan. He finds that there are more opportunities for a continued partnership between the Chamber and the City; especially in helping the City achieve the goals before it.

Therese Keirnan indicated that the Council identified a goal of meeting with Third Street private property owners. She did not understand why the goal relates solely to private property owners. She said that she envisions individuals calling her office inquiring why the City did not contact business owners who may be impacted. She inquired whether the Council would be interested in expanding discussions to include business owners as well as the property owners. She referred to the goal relating to the Granada Theater. She said that she is aware of the passion associated with the Granada Theater; acknowledging that the Council has its individual and collective passion regarding what to do with the Theater. She did not know if the City has gone out to the general community in the past to determine what it would support. She recommended consideration be given to including the greater community as a whole as to whether or not the community would support the Theater.

Regarding Ms. Keirnan’s suggestion about including business owners in the goal relating to the downtown, Mayor Tate suggested reference be made to “stakeholders.”

No further comments were offered.

City Manager Tewes said that it has always been the Council’s direction to staff that it work closely with property owners, businesses owners, and all stakeholders in the downtown. He indicated that staff would continue to do so. However, this particular goal arises from the Council’s view that before the public project of improving Third Street moves forward, there should be a commitment from property owners for the development/redevelopment of their properties. He clarified that this particular goal is about ensuring that private property developments occur concurrently.

Council Member Sellers indicated that he serves as Chair to the Economic Development Committee and is a liaison to the Downtown Association Board. He said that the Council will be asking about the viability of the Granada Theater. He clarified that the initial inquiries will not go to the public at large, but rather to the business community. The City would like to know if there is an operator for the facility as it now stands. He indicated that there were several operators interested in the facility. However, for a variety of reasons beyond their/City's control, plans did not proceed. Should there be a continued interest in the private sector in the operation of a long term existing facility, this would make sense. If not, the Economic Development Committee will evaluate what makes the most sense for this property initially, and long term; returning to the Council with recommendations. He appreciated Ms. Keirnan's comments as he felt they would be parallel to what the Council will be trying to do; working with the Downtown Association.

Mayor Tate felt that the evaluation of options left it open for the Economic Development Committee to conduct as much polling research/interaction as needed.

Mayor Pro Tempore Carr referred to the Economic Development goal. He noted that there are three items listed under the first goal. He indicated that the items are listed in a priority order when the Committee returns to the Council with a strategy for consideration. He said that item 1 addresses the question raised by Council Member Grzan in terms of what the Chamber of Commerce is going to do to assist existing businesses. He said that an increase in the number of jobs means that businesses in Morgan Hill are successful, and providing more jobs/sustainable wages to Morgan Hill residents. Therefore, the success of the current economy is a big part of this.

Mayor Tate indicated that the last area contains a policy and a goal relating to policy making. He noted that the Goal states that "By March 7, an ad hoc committee comprised of the Mayor and Mayor Pro Tempore should develop recommendations for Council consideration on how to best integrate the Council's goals, work plans; including committees, commissions, staff and the budget." He indicated that he has a full plate between now and March 7. He inquired as to the Council's expectations on this item, and questioned whether the Council was being too ambitious on the calendar in completing this goal.

Council Member Sellers indicated that it was his recollection that the Council's discussion centered on the fact that several of the recommendations would help the Council and the individual Council Committees to get its work done. He noted that the work will take place regardless, and that he was comfortable with integrating this goal later in the year.

Mayor Pro Tempore Carr stated that he would like to see the Council Committees and citizen appointed commissions assist the Council achieve its goals. He did not want to see these bodies establish their own goals or achieve other goals/plans. It would be his expectation that each Council Committee and appointed commission/committee return with a workplan. The workplans are to be based upon achieving the 2007 Council goals. He did not want to delay this goal because you could get six months into the year with individuals wondering how they would accomplish the Council's goals in the last six months.

Mayor Tate agreed that the Council's commissions should be charged with putting together their workplans. He was thinking more about integration with the budget cycle, etc., and how you would separate staff work plans from supporting the Council's goals.

Council Member Grzan felt that each Council member was very engaged at the goal setting session. The Council spent a considerable amount of time on these goals. He stated his appreciation of the efforts made in developing the goals. However, these are Council goals, and do not take into consideration where the commissions see the City heading. He said that he would like to ask the Council's commissions and committees what the Council did right, what it did wrong, and where the Council needs to go. He felt that the commissions and committees need to be involved in the policy setting agenda as well as the Council. He felt that these bodies bring incredible insight to the table; having dealt one on one with residents on a number of policy issues. He stated that he would like to get these commissions and committees involved in the process of developing goals prior to the end of the year. Seeking this information in a survey format may present the Council the information it needs to focus its efforts. Doing so would make the commissions/committees feel they are a part of the City. He felt that there may be a lack of connection with commissions/committees. He stated that he would like to engage these groups. He felt that the goals developed are appropriate and that it was a good process. He appreciated the work the City Manager performed in capturing the Council's goals. He indicated that there were a number of items on the list the Council did not talk about that need to be addressed at some point.

Action: *Council Member Sellers made a motion, seconded by Mayor Pro Tempore Carr to **Adopt** the 2007 Goals.*

Mayor Tate addressed the sequencing the events. He noted the Council will be making new commission appointments, and that the Council will be asking commissions to provide the Council with its workplans to meet the Council's goals and objectives. He expressed a desire to interview candidates for all boards and commissions at the same time, even if it results in a burden to the Council. This would place everyone on the same page when the Council makes assignments; avoiding phasing in the different commissions at different times. He indicated that he and City Clerk Torrez are trying to identify a calendar for a board/commission interview and appointment process.

Council Member Sellers noted that it has been a tradition to provide the Council's goal for the year and ask that commissioners submit workplans. The Council encourages board/commissioners to offer their comments of the items they would like to work on as well.

Mayor Pro Tempore Carr said that the workplan process is a great way to receive a lot of good input from the commissions on items they believe are important. He noted that commissions do not set policy. He indicated that the Council is the only body that sets City policies and that it is the only body elected by the people to set direction/policy. Even though he would like to receive as much input from the commissions/individuals it appoints, the Council needs to make it clear that it is the one who sets policy, and are the ones accountable to the people based on how the governmental system works.

Vote: *The motion carried unanimously (5-0).*

14. COUNCIL COMMITTEES AND OUTSIDE AGENCY ASSIGNMENTS

Mayor Tate stated that this item was carried over from the Council's goal setting session; indicating that the Council had an extensive discussion on the outside agency assignments. He said that it was his notes that City Clerk Torrez used to type up the proposed set of assignments.

City Clerk Torrez indicated that the outside agency assignments were updated based on Mayor Tate's recollection of the recommended appointments as identified by each Council Member. She noted that the City Selection Committee will be accepting applications until February 8, 2007 for the Airport Land Use Commission, the Metropolitan Transportation Commission and the Association of Bay Area Government - Hazardous Waste Management Facility. Should there be any Council Members interested in serving on any of the three outside agency assignments; it should be noted this evening. Mayor Tate would take the interest to the floor of the City Selection Committee tomorrow evening. She noted that Council Member Grzan has agreed to serve and represent the City on the Airport Land Use Commission; therefore, his appointment to this assignment would be contingent upon the City Selection Committee appointment to this assignment.

Mayor Tate indicated that he received notice that four individuals have applied for the Airport Land Use Commission, and that these individuals submitted statements of qualification. He requested that Council Member Grzan provide him with a statement of qualification or resume for the Airport Land Use Commission to submit tomorrow evening, should he still be interested in being considered for this appointment.

Council Member Sellers offered two minor corrections: 1) page 2, VTA – MGM Group 4. This is a group of three cities in the area: Morgan Hill, Gilroy and Milpitas with the board member position alternating every year between the three cities. He noted that he is listed as the alternate. It was his recollection that it was suggested that he and Mayor Tate be listed as primary members. He stated that the primary duty of this group is to direct the board representative on the VTA regarding any items on the agenda. He felt it was important that he serve as a regular member to the VTA – MGM Group 4. 2) page 4, Economic Development Committee, Chamber of Commerce. He indicated that he serves as the chair to the Council's Community & Economic Development Committee. He recommended that he and Council Member Lee be listed as primary members to the Chamber's Economic Development Committee so that both can attend the meetings.

City Clerk Torrez informed the Council that it appointed representatives from the Planning Commission and the Architectural & Site Review Board to serve on the Santa Clara Council Valley Transportation Authority – Valley Transportation Plan Design Enhancements Committee. She indicated that Jim Fruit was the ARB representative, but that he is now employed by the City of Morgan Hill. It has been the Council's past practice to ask staff to go back to this board and commission to inquire whether there was anyone interested in serving in this capacity. Should the Council wish to have an ARB representative serving on this committee, staff would seek an individual interested in serving in this capacity.

Mayor Tate referred to the Santa Clara County Habitat Conservation Plan Natural Community Conservation Plan. He noted that he was listed as the primary member and Council Member Grzan was listed as the alternate representative. He requested the assignments be reversed.

Council Member Grzan indicated that he could attend the meetings if they were held in the evening. However, if the meetings are scheduled during the day or the afternoons, he would have problems attending the meetings.

City Clerk Torrez indicated that this agency meets quarterly from 6-8 p.m. or 2-4 p.m. in the Santa Clara County Offices located on Hedding Street.

Mayor Tate recommended that he and Council Member Grzan work on alternating attendance at said meetings.

Action: *On a motion by Council Member Sellers and seconded by Mayor Pro Tempore Carr, the City Council unanimously (5-0) **Ratified** Mayor Tate's appointments of Council Members to Committees and Outside Agency Assignments, as modified.*

Action: *On a motion by Council Member Sellers and seconded by Mayor Pro Tempore Carr, the City Council unanimously (5-0) **Directed** City Clerk to Notify the Appropriate Agencies of Amended Assignments.*

FUTURE COUNCIL-INITIATED AGENDA ITEMS

No items were identified.

ADJOURNMENT – CITY COUNCIL

There being no further City Council business, Mayor Tate adjourned the City Council portion of the meeting at 9:33 p.m.

Redevelopment Agency Action

CLOSED SESSIONS:

Agency Counsel Kern announced the below listed closed session item, indicating that there is a correction to the agenda. She stated that the agenda reflects a closed session relating to the Redevelopment Agency; therefore, the City Manager would be acting in the capacity of the Executive Director and that as the City Attorney, she would be acting as the Agency's General Counsel.

1.

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Authority:	Government Code 54956.8
Property:	17440 Monterey Road, APN: 726-14-028
Negotiating Parties:	
For City:	Executive Director, Director of Business Assistance & Housing Services, Agency Counsel
For Property Owners:	Sherman House Associates
Closed Session Topic/Under Negotiation:	Price and Terms of Payment

OPPORTUNITY FOR PUBLIC COMMENT

Chairman Tate opened the Closed Session item to public comment. No comments were offered.

ADJOURN TO CLOSED SESSION

Chairman Tate adjourned the meeting to Closed Session at 9:35 p.m.

RECONVENE

Chairman Tate reconvened the meeting at 9:55 p.m.

CLOSED SESSION ANNOUNCEMENT

Agency Counsel Kern announced that no reportable action was taken in closed session.

ADJOURNMENT

There being no further business, Chairman Tate adjourned the meeting at 9:56 p.m.

MINUTES RECORDED AND PREPARED BY:

IRMA TORREZ, CITY CLERK/AGENCY SECRETARY